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Groups of countries in special situations: follow-up to the Fourth United Nations Conference on the Least Developed Countries

Report of the Second Committee*

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I. Introduction

1. The Second Committee held a substantive debate on agenda item 23 (see A/67/440, para. 2). Action on sub-item (a) was taken at the 29th and 34th meetings, on 15 November and 7 December 2012. An account of the Committee's consideration of the sub-item is contained in the relevant summary records (A/C.2/67/SR.29 and 34).

II. Consideration of proposals

A. Draft resolutions A/C.2/67/L.9 and A/C.2/67/L.53

2. At the 29th meeting, on 15 November, the representative of Algeria, on behalf of the Group of 77 and China, introduced a draft resolution entitled "Follow-up to the Fourth United Nations Conference on the Least Developed Countries" (A/C.2/67/L.9), which read:

"*The General Assembly*,

"*Recalling* the Istanbul Declaration and the Programme of Action for the Least Developed Countries for the Decade 2011-2020, adopted at the Fourth United Nations Conference on the Least Developed Countries and endorsed by the General Assembly through its resolution 65/280 of 17 June 2011, in which

* The report of the Committee on this item is being issued in three parts, under the symbol A/67/440 and Add.1 and 2.

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the Assembly called upon all the relevant stakeholders to commit to implementing the Programme of Action,

"*Reaffirming* the overarching goal of the Istanbul Programme of Action of overcoming the structural challenges faced by the least developed countries in order to eradicate poverty, achieve internationally agreed development goals and enable graduation from the least developed country category,

"*Recalling* the outcome document of the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, entitled 'The future we want',

"*Recalling also* Economic and Social Council resolution 2012/26 of 27 July 2012 on the Programme of Action for the Least Developed Countries for the Decade 2011-2020,

"*Recalling further* General Assembly resolutions 59/209 of 20 December 2004 and 65/286 of 29 June 2011 on the importance of a smooth transition for countries graduating from the list of least developed countries, and reaffirming the aim of enabling half the least developed countries to meet the criteria for graduation by 2020,

"*Taking note* of the Ministerial Declaration adopted at the Ministerial Meeting of the Least Developed Countries, held in New York on 27 September 2012,

"1. *Takes note* of the report of the Secretary-General on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020 and the report of the Secretary-General on ensuring the effective implementation of the functions of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and strengthening its capabilities and its effectiveness, as well as the effectiveness of the United Nations system support provided to least developed countries;

"2. *Expresses serious concern* that after a decade of steady economic growth, the least developed countries are facing significant challenges in sustaining their economic growth and their economies are projected to grow by an average of 4.1 per cent in 2012, which is far below the target of 7 per cent per annum as set out in the Istanbul Programme of Action, and that this will have a significant impact on the implementation of the Programme of Action;

"3. *Expresses concern* that the impact of the ongoing economic and financial crisis demonstrates the need for appropriate regional and international support to be deployed in a timely and targeted manner to complement the efforts of the least developed countries aimed at building resilience in the face of economic shocks and mitigating their effects;

"4. *Notes* the progress made by many least developed countries in implementing the Istanbul Programme of Action, including by mainstreaming it into relevant planning documents and development strategies, and calls upon the least developed countries, with the support of their development partners, to fulfil their commitments and to promote implementation of the Programme of Action, including by integrating its provisions into their national policies and development frameworks and conducting regular reviews with the full

involvement of all key stakeholders, and in this regard invites the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the subsidiary bodies of the Economic and Social Council, including United Nations regional and functional commissions, the United Nations resident coordinator system and the United Nations country teams to actively support the integration and the implementation of the Programme of Action;

"5. *Stresses* the importance of mainstreaming the Istanbul Programme of Action into the development cooperation frameworks of development partners, and calls upon the development partners to further integrate the Programme of Action into their respective national cooperation policy frameworks, programmes and activities, as appropriate, to ensure enhanced, predictable and targeted support to the least developed countries, as set out in the Programme of Action, and the delivery of their commitments, and to consider appropriate measures to overcome shortfalls or shortcomings, if any;

"6. *Invites* all organizations of the United Nations system and other multilateral organizations, including the Bretton Woods institutions and international and regional financial institutions, to contribute to the implementation of the Istanbul Programme of Action, including through implementing scaled-up substantive and technical assistance to the least developed countries in a timely, long-term, predictable and flexible manner, and to integrate it into their programmes of work and to participate fully in its review at the national, subregional, regional and global levels;

"7. *Invites* the organizations of the United Nations system that have not yet done so to set up specific focal points or organizational units within their secretariat structures, with a view to ensuring consistent coordination and monitoring of the implementation of the Programme of Action at the agency level;

"8. *Calls upon* the developing countries, guided by the spirit of solidarity and consistent with their capabilities, to provide support for the effective implementation of the Istanbul Programme of Action in mutually agreed areas of cooperation within the framework of South-South cooperation, which is a complement to, but not a substitute for, North-South cooperation;

"9. *Invites* the private sector, civil society and foundations to contribute to the implementation of the Istanbul Programme of Action in their respective areas of competence in line with the national priorities of the least developed countries;

"10. *Calls upon* the least developed countries, their development partners, the United Nations system and all other actors to fully and effectively implement the commitments that have been made in the Istanbul Programme of Action in its eight priority areas, namely, productive capacity, agriculture, food security and rural development, trade, commodities, human and social development, multiple crises and other emerging challenges, mobilizing financial resources for development and capacity-building, and good governance at all levels, in a coordinated, coherent and expeditious manner;

"11. *Expresses serious concern* over the fall of official development assistance to least developed countries by 2 per cent in real terms in 2011, as

well as the expected stagnation of the growth of core official development assistance between 2013 and 2015, and in this regard, while acknowledging the fulfilment of the official development assistance commitment of 0.15 to 0.20 per cent of gross national income to least developed countries by some donor countries, calls upon the other donor countries to fulfil their official development assistance commitment to least developed countries without further delay and to align the allocation of official development assistance to the priorities of least developed countries, with a particular focus on productive capacity development;

"12. *Recalls* the decision taken in the Istanbul Programme of Action, with respect to adopting, expanding and implementing investment promotion regimes for least developed countries, and in this regard, requests the Secretary-General to submit a report to the General Assembly, for its consideration at its sixty-ninth session, outlining the options and modalities of investment promotion regimes for least developed countries;

"13. *Notes* the efforts made to address the debt problems of the least developed countries, including through the Heavily Indebted Poor Countries Initiative and the Multilateral Debt Relief Initiative, expresses concern that the debt vulnerability of many least developed countries has increased markedly, with many of them in a situation of debt stress, or at high risk of debt stress, and in this regard, stresses the need to take effective measures to address the debt problems of the least developed countries;

"14. *Reiterates* the call for necessary flexibility and political will in order to break the impasse in the Doha Round of World Trade Organization negotiations, and underlines the need for ensuring timely and effective implementation and operationalization of existing commitments to least developed countries on a lasting basis, such as duty-free, quota-free market access and least developed country services waivers, as well as ensuring an early harvest of the development dividend to least developed countries;

"15. *Underlines* the need for giving particular attention to the issues and concerns of the least developed countries in all major United Nations conferences and processes;

"16. *Reiterates its request* to the Secretary-General to include the issues of concern to the least developed countries in all relevant reports in the economic, social, environmental and related fields in order to support the implementation of the goals set out in the Istanbul Programme of Action;

"17. *Also reiterates its request* to the Secretary-General to take the steps necessary to undertake a joint gap and capacity analysis on a priority basis by 2013, with the aim of establishing a technology bank and science, technology and innovation supporting mechanism dedicated to the least developed countries, building on existing international initiatives;

"18. *Underlines* the need to take the steps necessary to ensure the mutual accountability of the least developed countries and their development partners for delivering the commitments undertaken under the Istanbul Programme of Action;

"19. *Recognizes* the need for giving appropriate consideration to the special needs and development priorities of the least developed countries, including those set out in the Istanbul Programme of Action and, in the United Nations development agenda beyond 2015, and in this regard, calls upon the developed countries to review their official development assistance commitments in 2015 and consider further enhancing the resources for least developed countries, as agreed upon in the Istanbul Programme of Action;

"20. *Reaffirms* the commitment, made by the international community in the outcome document of the United Nations Conference on Sustainable Development, to assist the least developed countries in their efforts to achieve sustainable development, and also reaffirms the agreement to effectively implement the Istanbul Programme of Action and to fully integrate its priority areas into the framework for action contained in the outcome document, the broader implementation of which will contribute to the overarching goal of the Programme of Action of enabling half the least developed countries to meet the criteria for graduation by 2020;

"21. *Stresses* the need for strengthened coordination and monitoring of and follow-up to the implementation of the Istanbul Programme of Action, with a view to ensuring effective and efficient implementation and follow-up mechanisms at the country, subregional, regional and global levels;

"22. *Requests* the Secretary-General to undertake necessary measures to institutionalize the Inter-Agency Consultative Group mechanism for least developed countries, within the framework of the High-level Committee on Programmes of the United Nations System Chief Executives Board for Coordination, as a standing inter-agency mechanism led by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States to ensure necessary coordination and monitoring of the implementation of the Programme of Action on a system-wide basis, and also invites him, in his capacity as Chair of the United Nations System Chief Executives Board for Coordination, to include implementation of the Istanbul Programme of Action as a standing item in the agenda of the Board;

"23. *Recognizes* that, over the years, the responsibilities of the Office of the High Representative have increased considerably in their scope and complexity and that, in addition to its responsibilities under its original mandate, there has been an increase in the requirement to provide substantive and technical support to the least developed countries, and in this regard underlines that the Office of the High Representative needs a substantial amount of resources, including extrabudgetary resources, in order to fulfil its increased responsibilities;

"24. *Underlines* that the Office of the High Representative should be provided with adequate resources to fulfil its mandate for the timely and effective implementation of the Istanbul Programme of Action and requests the Secretary-General to guarantee adequate resources for the Office in the context of the programme budget for the biennium 2014-2015 for the effective follow-up, monitoring and implementation of the Istanbul Programme of Action;

"25. *Strongly urges* Member States, intergovernmental and non-governmental organizations, major groups and other donors to substantially increase their extrabudgetary contributions in a timely manner to support the implementation, follow-up and monitoring of the Istanbul Programme of Action as well as the participation of the representatives from the least developed countries in the annual review meeting on the implementation of the Istanbul Programme of Action by the Economic and Social Council as well as in other relevant forums, and in this regard expresses its appreciation to those countries that have made voluntary contributions to the Trust Fund;

"26. *Requests* the Secretary-General to submit to the General Assembly at its sixty-eighth session a progress report on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020."

3. At its 34th meeting, on 7 December, the Committee had before it a draft resolution entitled "Follow-up to the Fourth United Nations Conference on the Least Developed Countries" (A/C.2/67/L.53), submitted by the Vice-Chair of the Committee, Mr. Tauhedul Islam (Bangladesh), on the basis of informal consultations held on draft resolution A/C.2/67/L.9.

4. At the same meeting, the Secretary of the Committee read out a statement of the programme budget implications of draft resolution A/C.2/67/L.53.

5. Also at the same meeting, the Vice-Chair of the Committee, Tauhedul Islam (Bangladesh), orally corrected the draft resolution.

6. Also at its 34th meeting, the Committee adopted draft resolution A/C.2/67/L.53, as orally corrected, without a vote (see para. 14, draft resolution I).

7. At the same meeting, after the adoption of the draft resolution, statements in explanation of position were made by the representatives of the United States of America, Benin, the European Union, Japan and Cuba (see A/C.2/67/SR.34).

8. In the light of the adoption of draft resolution A/C.2/67/L.53, draft resolution A/C.2/67/L.9 was withdrawn by its sponsors.

B. Draft resolutions A/C.2/67/L.10 and A/C.2/67/L.51

9. At the 29th meeting, on 15 November, the representative of Algeria, on behalf of the Group of 77 and China, introduced a draft resolution entitled "Smooth transition for countries graduating from the list of least developed countries" (A/C.2/67/L.10), which read:

"*The General Assembly*,

"*Recalling* the Istanbul Declaration and the Programme of Action for the Least Developed Countries for the Decade 2011-2020, adopted at the Fourth United Nations Conference on the Least Developed Countries held in Istanbul, Turkey, from 9 to 13 May 2011, in which Member States committed to assisting the least developed countries with an overarching goal of enabling half of them to meet the criteria for graduation by 2020,

"*Recalling also* its resolution 59/209 of 20 December 2004 on a smooth transition strategy for countries graduating from the list of least developed countries,

"*Recalling further* its resolution 66/213 of 22 December 2011, in which it requested the President of the General Assembly to establish an ad hoc working group to further study and strengthen the smooth transition process for the countries graduating from the least developed country category and to submit a report to the Assembly at its sixty-seventh session with specific recommendations, consistent with the Istanbul Programme of Action,

"*Recalling* its resolution 65/286 of 29 June 2011 on implementing the smooth transition strategy for countries graduating from the list of least developed countries,

"1. *Takes note* of the report of, and work done by, the ad hoc open-ended working group to further study and strengthen the smooth transition process for the countries graduating from the least developed country category;

"2. *Also takes note* of the report of the Secretary-General on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020, especially section III on progress towards graduation and smooth transition;

"3. *Reiterates* the importance of ensuring that the graduation of a country from least developed country status does not cause disruption in the development progress which that country has achieved; and in this regard recognizes that the graduation process of least developed countries should be coupled with an appropriate package of incentives and support measures;

"4. *Urges* graduating countries and all bilateral and multilateral development and trading partners to pursue or intensify their efforts, consistent with the rules of the World Trade Organization, to contribute to the full implementation of resolution 59/209, with a view to ensuring the smooth transition of graduating least developed countries;

"5. *Invites* development and trading partners of least developed countries to make available information about smooth transition measures, in the areas of financial support, technical assistance and preferential market access, including their time frames, characteristics and modalities;

"6. *Emphasizes* that a successful transition needs to be based on the national smooth transition strategy elaborated by each graduating country under national leadership, involving, as appropriate, all stakeholders of the Istanbul Programme of Action and with the support of the international community, and the national smooth transition strategy should present a comprehensive and coherent set of specific and predictable measures in accordance with the priorities of the graduating country, while taking into account its own specific structural challenges and vulnerabilities as well as its strengths;

"7. *Recommends* that the consultative mechanism established by the graduating country, in cooperation with its bilateral and multilateral development and trading partners, to facilitate the preparation of the transition strategy and the identification of the associated actions be integrated with

other regular consultative processes between the graduating country and its development partners;

"8. *Invites* development and trading partners of graduating countries to make efforts so that their bilateral and multilateral strategies and aid programmes fully support the national transition strategy of the respective country;

"9. *Invites* graduating and graduated countries to implement the smooth transition strategy as part of their overall development strategy and to incorporate a smooth transition in relevant documents, such as the poverty reduction strategy papers and the action matrix of the Diagnostic Trade Integration Studies under the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries;

"10. *Requests* the Administrator of the United Nations Development Programme, in his capacity as Chair of the United Nations Development Group, to act, if requested, as a facilitator of the consultative process and assist graduating countries in the preparation of their transition strategies;

"11. *Requests* United Nations country teams to provide targeted assistance to graduating countries, including capacity-building initiatives in support of the formulation and implementation of the national transition strategy;

"12. *Requests* the Secretary-General to further enhance information-sharing and understanding of available least developed country-specific international support measures, their characteristics and modalities and, in this regard, to continue to make available one consolidated source of online information-sharing;

"13. *Invites* United Nations entities that have committed to allocating a certain percentage of their resources to least developed countries to consider the extension and gradual phasing out of least developed country-specific support to graduated countries for a fixed period of time in a predictable manner, without prejudice to resources available to least developed countries;

"14. *Invites* development and trading partners to include trade-related technical assistance commitments as part of the commitments to be undertaken in the transition strategy, in order to support graduating countries to adjust to the phasing out of trade preferences, including through the Enhanced Integrated Framework, Aid for Trade or other instruments;

"15. *Invites* all members of the World Trade Organization to extend, through a waiver applicable to any graduated country, the existing special and differential treatment measures and exemptions available to least developed countries for a period appropriate to the development situation of the country;

"16. *Invites* trading partners that have not established procedures for extending or phasing out preferential market access to express, as a general rule or at the consultative mechanism, their commitment to extend their least developed country-specific preferences, the number of years of the extension and the details concerning the gradual phasing out of the measures;

"17. *Invites* least developed country-specific funds of the United Nations system to continue providing technical assistance to graduated countries over a period appropriate to the development situation of the country;

"18. *Encourages* organizations of the United Nations system to extend voluntary travel benefits to graduated countries for a period appropriate to the development situation of the country;

"19. *Decides* that the long-standing benefit of capped contributions to the regular budget of the United Nations that has been made available to the least developed countries will be extended, if requested, to countries graduating from least developed country status for a period appropriate to the development situation of the country, without prejudice to the required minimum contribution to the budget of the United Nations;

"20. *Invites* the Governments of graduated countries to closely monitor, with the support of the consultative mechanism, the implementation of the transition strategy and to provide concise triennial reports on progress made, covering the preparation and implementation of national transition strategies, to the Economic and Social Council;

"21. *Requests* the Committee for Development Policy to review the progress of graduated countries on a yearly basis for three years and every three years thereafter;

"22. *Encourages* graduated countries to provide information to least developed countries on their experiences and lessons learned in the context of graduation with support from the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States;

"23. *Invites* development partners to consider using the criteria used for the identification of least developed countries, in particular those related to economic vulnerability, for allocating official development assistance;

"24. *Requests* the Secretary-General to submit to the General Assembly at its seventieth session a progress report on the implementation of smooth transition measures, including initiatives taken by the United Nations system to support countries during their graduation from the least developed country category."

10. At its 34th meeting, on 7 December, the Committee had before it a draft resolution entitled "Smooth transition for countries graduating from the list of least developed countries" (A/C.2/67/L.51), submitted by the Vice-Chair of the Committee, Mr. Tauhedul Islam (Bangladesh), on the basis of informal consultations on draft resolution A/C.2/67/L.10.

11. At the same meeting, the Secretary of the Committee read out a statement of the programme budget implications of draft resolution A/C.2/67/L.51.

12. Also at the same meeting, the Committee adopted draft resolution A/C.2/67/L.51 (see para. 14, draft resolution II).

13. In the light of the adoption of draft resolution A/C.2/67/L.51, draft resolution A/C.2/67/L.10 was withdrawn by its sponsors.

III. Recommendations of the Second Committee

14. The Second Committee recommends to the General Assembly the adoption of the following draft resolutions:

Draft resolution I
Follow-up to the Fourth United Nations Conference on the Least Developed Countries

The General Assembly,

Recalling the Istanbul Declaration[1] and the Programme of Action for the Least Developed Countries for the Decade 2011-2020,[2] adopted at the Fourth United Nations Conference on the Least Developed Countries and endorsed by the General Assembly through its resolution 65/280 of 17 June 2011, in which the General Assembly called upon all the relevant stakeholders to commit to implementing the Programme of Action,

Reaffirming the overarching goal of the Istanbul Programme of Action of overcoming the structural challenges faced by the least developed countries in order to eradicate poverty, achieve internationally agreed development goals and enable graduation from the least developed country category,

Recalling the outcome document of the United Nations Conference on Sustainable Development, held in Rio de Janeiro, Brazil, from 20 to 22 June 2012, entitled "The future we want",[3]

Recalling also the outcome document of the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals, held in New York from 20 to 22 September 2010,[4]

Recalling further Economic and Social Council resolution 2012/26 of 27 July 2012 on the Programme of Action for the Least Developed Countries for the Decade 2011-2020,

Recalling General Assembly resolutions 59/209 of 20 December 2004 and 65/286 of 29 June 2011 on the importance of a smooth transition for countries graduating from the list of least developed countries, and reaffirming the aim of enabling half the least developed countries to meet the criteria for graduation by 2020,

Taking note of the Ministerial Declaration adopted at the Ministerial Meeting of the Least Developed Countries, held in New York on 27 September 2012,

1. *Takes note* of the report of the Secretary-General on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011 to 2020[5] and the report of the Secretary-General on ensuring the effective

[1] *Report of the Fourth United Nations Conference on the Least Developed Countries, Istanbul, Turkey, 9-13 May 2011* (United Nations publication, Sales No. 11.II.A.1), chap. I.

[2] Ibid., chap. II.

[3] General Assembly resolution 66/288, annex.

[4] See resolution 65/1.

[5] A/67/88-E/2012/75 and Corr.1.

implementation of the functions of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and strengthening its capabilities and its effectiveness, as well as the effectiveness of the United Nations system support provided to least developed countries;[6]

2. *Reaffirms* the commitment, made by the international community in the outcome document of the United Nations Conference on Sustainable Development,[3] to assist the least developed countries in their efforts to achieve sustainable development, and also reaffirms the agreement to effectively implement the Istanbul Programme of Action and to fully integrate its priority areas into the framework for action contained in the outcome document, the broader implementation of which will contribute to the overarching goal of the Programme of Action of enabling half the least developed countries to meet the criteria for graduation by 2020;

3. *Expresses serious concern* that after a decade of welcomed steady economic growth, the least developed countries are facing significant challenges in sustaining their economic growth and their economies are projected to grow by an average of 4.1 per cent in 2012, which is considerably below the target of 7 per cent per annum as set out in the Istanbul Programme of Action;[2]

4. *Expresses concern* that the ongoing impact of the economic and financial crisis demonstrates the need for appropriate regional and international support to be deployed in a timely and targeted manner to complement the efforts of the least developed countries aimed at building resilience in the face of economic shocks and mitigating their effects;

5. *Welcomes* the progress made by many least developed countries in mainstreaming the Istanbul Programme of Action into relevant planning documents and development strategies, and calls upon the least developed countries, with the support of their development partners, to fulfil their commitments and to continue their implementation of the Programme of Action, including by integrating its provisions into their national policies and development frameworks and conducting regular reviews with the full involvement of all key stakeholders, and in this regard invites the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the subsidiary bodies of the Economic and Social Council, including United Nations regional and functional commissions, the United Nations resident coordinator system and the United Nations country teams to actively support the integration and implementation of the Programme of Action;

6. *Also welcomes* the progress in, and stresses the importance of, mainstreaming the Istanbul Programme of Action into the development cooperation frameworks of development partners, and calls upon the development partners to further integrate the Programme of Action into their respective national cooperation policy frameworks, programmes and activities, as appropriate, to ensure enhanced, predictable and targeted support to the least developed countries, as set out in the Programme of Action, and the delivery of their commitments, and to consider appropriate measures to overcome shortfalls or shortcomings, if any;

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[6] A/67/262.

7. *Invites* all organizations of the United Nations system and other multilateral organizations, including the Bretton Woods institutions and international and regional financial institutions, to contribute to the implementation of the Istanbul Programme of Action, including by implementing enhanced substantive and technical assistance to the least developed countries in a timely manner, and to integrate it into their programmes of work, as appropriate and in accordance with their respective mandates, and to participate fully in its review at the national, subregional, regional and global levels;

8. *Invites* the organizations of the United Nations system that have not yet done so to designate specific focal points or organizational units within their secretariat structures with a view to ensuring consistent coordination and monitoring of the implementation of the programmes of action at the agency level;

9. *Calls upon* the developing countries, guided by the spirit of solidarity and consistent with their capabilities, to provide support for the effective implementation of the Istanbul Programme of Action in mutually agreed areas of cooperation within the framework of South-South cooperation, which is a complement to, but not a substitute for, North-South cooperation;

10. *Invites* the private sector, civil society and foundations to contribute to the implementation of the Istanbul Programme of Action in their respective areas of competence in line with the national priorities of the least developed countries;

11. *Calls upon* the least developed countries, their development partners, the United Nations system and all other actors to fully and effectively implement the commitments made in the Istanbul Programme of Action in its eight priority areas, namely, productive capacity, agriculture, food security and rural development, trade, commodities, human and social development, multiple crises and other emerging challenges, mobilizing financial resources for development and capacity-building, and good governance at all levels, in a coordinated, coherent and expeditious manner;

12. *Expresses concern* over the fall of official development assistance to least developed countries by 2 per cent in real terms in 2011, while noting that official development assistance continues to be the largest source of external financing for the development of least developed countries and plays an important role in their development, and that progress has been made during the past decade in increasing the flow of official development assistance to least developed countries, underlines that the fulfilment of all official development assistance commitments is crucial, including the commitments by many developed countries to achieving the target of 0.7 per cent of gross national product for official development assistance to developing countries by 2015, as well as the target of 0.15 per cent to 0.20 per cent of gross national product for official development assistance to the least developed countries, and urges developed countries that have not yet done so to fulfil their commitments for official development assistance to least developed countries;

13. *Welcomes* steps to improve the effectiveness and quality of aid in least developed countries, and underlines the need for enhancing the quality of aid by strengthening national ownership, alignment, harmonization, predictability, mutual accountability and transparency and results orientation;

14. *Recalls* the commitment, contained in the Istanbul Programme of Action, that donor countries should review their official development assistance

commitments in 2015 and consider further enhancing the resources for least developed countries;

15. *Also recalls* the decision, contained in the Istanbul Programme of Action, to adopt, expand and implement investment promotion regimes, as appropriate, for least developed countries, and in this regard requests the Secretary-General to submit to the General Assembly, for its consideration at its sixty-ninth session, a report focusing on national policies and regulatory frameworks for stimulating foreign direct investment in least developed countries and outlining the options and modalities of investment promotion regimes for least developed countries;

16. *Stresses* the need for the international community to remain vigilant in monitoring the debt situation of the least developed countries and to continue to take effective measures, preferably within existing frameworks, to address the debt problem of those countries, including through the cancellation of the multilateral and bilateral debt owed by least developed countries to creditors, both public and private;

17. *Reiterates* the call for necessary flexibility and political will in order to break the impasse in the Doha Round of trade negotiations, and underlines the need for ensuring timely and effective implementation and operationalization of existing commitments to least developed countries on a lasting basis, such as duty-free, quota-free market access;

18. *Notes* the adoption by the General Council of the World Trade Organization on 25 July 2012 of the organization's guidelines on the accession of least developed countries;

19. *Underlines* the need for giving particular attention to the issues and concerns of the least developed countries in all major United Nations conferences and processes;

20. *Reiterates* its request to the Secretary-General to include the issues of concern to the least developed countries in all relevant reports in the economic, social, environmental and related fields in order to support the implementation of the goals set out in the Istanbul Programme of Action;

21. *Also reiterates* its request to the Secretary-General to take the steps necessary to undertake a joint gap and capacity analysis on a priority basis by 2013, with the aim of establishing a technology bank and science, technology and innovation supporting mechanism dedicated to the least developed countries, building on existing international initiatives;

22. *Underlines* the need to take the steps necessary to ensure the mutual accountability of the least developed countries and their development partners for delivering the commitments undertaken within the framework of the Istanbul Programme of Action;

23. *Recalls* that a smooth transition of countries graduating from least developed country status is vital in order to ensure that those countries are eased onto a path towards sustainable development without any abrupt disruption to their development plans, programmes and projects;

24. *Strongly encourages* giving appropriate consideration to the special needs and development priorities of the least developed countries, including those listed in

the Istanbul Programme of Action, in the elaboration of the post-2015 development agenda;

25. *Stresses* the need for strengthened coordination and monitoring of and follow-up to the implementation of the Istanbul Programme of Action, with a view to ensuring effective and efficient implementation and follow-up mechanisms at the country, subregional, regional and global levels;

26. *Takes note* of the work of the Inter-Agency Consultative Group for least developed countries led by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, and invites the Secretary-General to appropriately integrate it within the framework of the High-level Committee on Programmes of the United Nations System Chief Executives Board for Coordination in order to ensure necessary coordination and monitoring of the implementation of the programmes of action on a system-wide basis, and also invites the Secretary-General, in his capacity as the Chair of the Chief Executives Board, to include implementation of the Istanbul Programme of Action as a standing item on the agenda of the Board;

27. *Recognizes* that, over the years, the responsibilities of the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States have increased considerably in their scope and complexity and that, in addition to its original mandate, the requirement to provide substantive and technical support to the least developed countries has increased;

28. *Underlines* that the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States should be provided with adequate resources to fulfil its mandate for the timely and effective implementation of the Istanbul Programme of Action, and requests the Secretary-General to address the allocation of adequate resources for the Office in the context of the proposed programme budget for the biennium 2014-2015 for effective follow-up, monitoring and implementation of the Istanbul Programme of Action;

29. *Strongly encourages* Governments, intergovernmental and non-governmental organizations, major groups and other donors to contribute in a timely manner to the Trust Fund in support of the activities undertaken by the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States to support the implementation, follow-up and monitoring of the Istanbul Programme of Action as well as the participation of the representatives from the least developed countries in the annual review meeting on the implementation of the Istanbul Programme of Action by the Economic and Social Council as well as in other relevant forums, and in this regard expresses its appreciation to those countries that have made voluntary contributions to the Trust Fund;

30. *Requests* the Secretary-General to submit to the General Assembly at its sixty-eighth session a progress report on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020.

Draft resolution II
Smooth transition for countries graduating from the list of least developed countries

The General Assembly,

Recalling the Istanbul Declaration[1] and the Programme of Action for the Least Developed Countries for the Decade 2011-2020,[2] adopted at the Fourth United Nations Conference on the Least Developed Countries held in Istanbul, Turkey, from 9 to 13 May 2011, in which Member States committed to assisting the least developed countries with an overarching goal of enabling half of them to meet the criteria for graduation by 2020,

Taking into account its resolution 59/209 of 20 December 2004 on a smooth transition strategy for countries graduating from the list of least developed countries,

Recalling its resolution 66/213 of 22 December 2011, in which it requested the President of the General Assembly to establish an ad hoc working group to further study and strengthen the smooth transition process for the countries graduating from the least developed country category and to submit a report to the Assembly at its sixty-seventh session with specific recommendations, consistent with the Istanbul Programme of Action,

Recalling also its resolution 65/286 of 29 June 2011 on implementing the smooth transition strategy for countries graduating from the list of least developed countries,

Recalling further Economic and Social Council resolution 2012/32 of 27 July 2012 on the report of the Committee for Development Policy on its fourteenth session,

Emphasizing that graduation from the list of least developed countries is a major milestone for the country involved, as it means that significant progress has been made towards reaching at least some of its development goals,

1. *Takes note* of the report of the ad hoc open-ended working group to further study and strengthen the smooth transition process for the countries graduating from the least developed country category;[3]

2. *Also takes note* of the report of the Secretary-General on the implementation of the Programme of Action for the Least Developed Countries for the Decade 2011-2020,[4] especially section III on progress towards graduation and smooth transition;

3. *Reiterates* the importance of ensuring that the graduation of a country from least developed country status does not cause disruption in the development progress which that country has achieved, and in this regard recognizes that the

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[1] *Report of the Fourth United Nations Conference on the Least Developed Countries, Istanbul, Turkey, 9-13 May 2011* (United Nations publication, Sales No. 11.II.A.1), chap. I.

[2] Ibid., chap. II.

[3] A/67/92.

[4] A/67/88-E/2012/75 and Corr.1.

graduation process of least developed countries should include consideration of appropriate incentives and support measures;

4. *Urges* graduating countries and all bilateral and multilateral development and trading partners to pursue or intensify their efforts, consistent with the rules of the World Trade Organization, to contribute to the full implementation of resolution 59/209 of 20 December 2004, as appropriate, with a view to ensuring the smooth transition of graduating least developed countries;

5. *Recognizes* the importance of making available information about least developed country-specific support measures and related smooth transition measures, in the areas of financial support, technical assistance and trade-related measures, including their time frames, characteristics and modalities;

6. *Requests* the Secretary-General to further enhance information-sharing and understanding of available least developed country-specific international support measures, their characteristics and modalities, commends, in this regard, the existence of the Support Measures Portal for Least Developed Countries, which was developed by the Department of Economic and Social Affairs of the Secretariat as a valuable comprehensive tool for online information-sharing, and encourages its continuous updating and improvement;

7. *Emphasizes* that a successful transition needs to be based on the national smooth transition strategy elaborated as a priority by each graduating country, during the period between the date the recommendation that the country be graduated is taken note of by the General Assembly and the effective graduation date, under national leadership, involving, as appropriate, all stakeholders of the Istanbul Programme of Action[2] and the support of the international community, and that the national smooth transition strategy should include a comprehensive and coherent set of specific and predictable measures that are in accordance with the priorities of the graduating country, while taking into account its own specific structural challenges and vulnerabilities as well as its strengths;

8. *Recommends* that the consultative mechanism, specified in resolution 59/209, be established by the graduating country, in cooperation with its bilateral and multilateral development and trading partners, to facilitate the preparation of the transition strategy, the identification of the associated actions and the negotiation of their duration and phasing out for a period appropriate to the development situation of the country, and that it be integrated with other relevant consultative processes and initiatives between the graduating country and its development partners;

9. *Reiterates its call upon* development and trading partners of graduating countries to make efforts so that their bilateral and multilateral strategies and aid programmes support the national transition strategy of the respective country;

10. *Decides* to take note of the decisions of the Economic and Social Council regarding the graduation of countries from the list of least developed countries, as well as the inclusion of countries in that list, at the first session of the General Assembly following the adoption of such decisions by the Council;

11. *Invites* graduating and graduated countries to implement the smooth transition strategy as part of their overall development strategy and to incorporate it into relevant documents, including the poverty reduction strategy papers and the action matrix of the Diagnostic Trade Integration Studies under the Enhanced

Integrated Framework for Trade-related Technical Assistance to Least Developed Countries;

12. *Requests* the Administrator of the United Nations Development Programme, as Chair of the United Nations Development Group, to provide, if requested, the support of the Resident Coordinator as a facilitator of the consultative process, and to assist graduating countries in the preparation of their transition strategies;

13. *Requests* the entities of the United Nations system to provide targeted assistance, including capacity-building, to graduating countries, if requested, through the United Nations country teams, in line with the existing mandates and resources, in support of the formulation and implementation of the national transition strategy;

14. *Invites* United Nations entities that have committed to allocating a certain percentage of their resources to least developed countries to consider the extension and gradual phasing-out of least developed country-specific support to graduated countries for a fixed period of time, in a predictable manner, and applied according to the specific development situation of each graduating country;

15. *Invites* development and trading partners to consider the inclusion of trade-related technical assistance as part of the commitments to support each country's transition strategy in order to help graduating countries to adjust to the phasing-out of trade preferences, including through the Enhanced Integrated Framework, Aid for Trade or other instruments;

16. *Reiterates* its invitation to all members of the World Trade Organization to consider extending to graduated countries the existing special and differential treatment measures and exemptions available to least developed countries for a period appropriate to the development situation of the country;

17. *Invites* trading partners that have not established procedures for extending or phasing out preferential market access, inter alia, duty-free and quota-free treatment, to clarify in a predictable manner, as a general measure or at the consultative mechanism, their position with regard to the extension of the least developed country-specific preferences, the number of years of the extension or the details concerning the gradual phasing-out of the measures;

18. *Invites* least developed country-specific funds of the United Nations system to continue providing technical assistance to graduated countries in a phased out manner over a limited period of time, and as appropriate to the development situation of the country, from within existing resources;

19. *Encourages* organizations of the United Nations system to extend voluntary travel benefits to graduated countries for a period appropriate to the development situation of the country from within existing resources and for a maximum of three years from the date of graduation;

20. *Invites* the Governments of graduating countries, with the support of the consultative mechanism, to report annually to the Committee for Development Policy on the preparation of the transition strategy and, after graduation becomes effective, to provide concise annual reports on the implementation of the smooth transition strategy for a period of three years, and triennially thereafter, as a

complement to the two triennial reviews of the list of least developed countries carried out by the Committee for Development Policy;

21. *Requests* the Committee for Development Policy to monitor the development progress of graduated countries, in consultation with the Governments of those countries, on a yearly basis for a period of three years after graduation becomes effective and triennially thereafter, as a complement to two triennial reviews of the list of the least developed countries, and to include its findings in its annual report to the Economic and Social Council;

22. *Encourages* least developed countries to interact with graduated countries in order to obtain information on, discuss their experiences and share lessons learned in the context of graduation with support from the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States;

23. *Invites* development partners to consider least developed country indicators, gross national income per capita, the human assets index and the economic vulnerability index as part of their criteria for allocating official development assistance;

24. *Requests* the Secretary-General to submit to the General Assembly at its seventieth session a progress report on the implementation, the effectiveness and the added value of smooth transition measures, including initiatives taken by the United Nations system to support countries during their graduation from the least developed country category.